LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 7785 DATE PREPARED: Jan 10, 2001

BILL NUMBER: HB 1788 BILL AMENDED:

SUBJECT: Electric Meter Bases.

FISCAL ANALYST: John Parkey PHONE NUMBER: 232-9854

FUNDS AFFECTED: GENERAL IMPACT: State

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that when a public or municipally owned electric utility installs or upgrades service for a customer, the utility must supply the customer with a meter base if the meter base:

- (1) is necessary for the installation or upgrade; and
- (2) has not already been supplied by the customer.

The bill prohibits a utility from requiring a customer, or a contractor or subcontractor hired by the customer, to obtain a meter from an outside supplier or vendor. The bill provides that upon approval of the Indiana Utility Regulatory Commission, a utility may include in its fee for installing or upgrading service a reasonable charge to cover the utility's actual expenses in supplying the customer with a meter base.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This proposal gives the IURC authority to allow to a utility to include the cost of a meter base in the fee it charges for upgrading service. The IURC is expected to be able to absorb any costs associated with the process using existing staff and resources.

Explanation of State Revenues: The Indiana Utility Regulatory Commission and the Office of the Utility Consumer Counselor are funded by public utilities. The annual fee charged to utilities is based on the budgets of these two agencies. At the end of the fiscal year, if the total public utility fees in the Public Utility Fund plus the unspent balance of the Fund exceeds the total appropriations for the IURC and the OUCC (plus a \$250,0000 contingency fund), then the IURC must compute each utility's share of the excess. This share is then deducted from any subsequent payment of the utility's public utility fees. In FY 2000, public utility fines and fees generated \$8,053,986.

Explanation of Local Expenditures:

HB 1788+

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Indiana Utility Regulatory Commission; Office of the Utility Consumer Counselor.

Local Agencies Affected: Some municipally owned utilities may be affected by this bill.

Information Sources:

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